



Q2 2023

I N T E R I M R E P O R T

2023

Towards strengthening the
balance sheet, reducing debt
and securing cash flows



ACROUD AB (PUBL) | ORG NR: 556693-7255
+356 2132 3750/1 | info@acroud.com

Towards strengthening the balance sheet, reducing debt and securing cash flows

Second quarter 2023

- Revenue amounted to an all-time high of **EUR 10 281** (7 200) thousand, corresponding to a growth of 43% and an organic growth of -26.5%.
- Adjusted EBITDA (before items affecting comparability) was **EUR 1 614** (1 802) thousand decreasing by 10% year-on-year. EBITDA amounted to EUR 588 (1 802) thousand, decreasing by 67% year-on-year.
- Profit after tax was **EUR -21 258** (1 248) thousand. Adjusted profit after tax (before items affecting comparability and currency effects) was EUR -931 (588) thousand. Items affecting comparability include an impairment charge of EUR 20 million.
- Earnings per share after dilution amounted to **EUR -0.104** (0.010). Adjusted earnings per share (before items affecting comparability and currency effects) was EUR -0.005 (0.005).
- New Depositing Customers (NDC) amounted to an all-time high of **117,365** (35 134) increasing by 234% (19%).
- Cash flow from operating activities amounted to **EUR 1 667** (1 490) thousand.

First six months 2023

- Revenue amounted to an all-time high of **EUR 19 581** (14 203) thousand, corresponding to a growth of 38% and an organic growth of -23.8%.
- Adjusted EBITDA (before items affecting comparability) was **EUR 3 755** (3 583) thousand, increasing by 5% year-on-year. EBITDA amounted to EUR 2 702 (4 050) thousand, decreasing by 33% year-on-year.
- Profit after tax was **EUR -21 324** (2 431) thousand. Adjusted profit after tax (before items affecting comparability and currency effects) was EUR -1 111 (1 138) thousand. Items affecting comparability include an impairment charge of EUR 20 million.
- Earnings per share after dilution amounted to **EUR -0.104** (0.019). Adjusted earnings per share (before items affecting comparability and currency effects) was EUR -0.005 (0.009).
- New Depositing Customers (NDC) amounted to an all-time high of **210 024** (68 672) increasing by 206% (12%).
- Cash flow from operating activities amounted to **EUR 2 673** (2 975) thousand.

Important events in the quarter

On 27 June 2023, Acroud received bondholders' approval in the written procedure, which will lower our debt excluding the bond from EUR26 million to EUR6.5 million and will reduce short-term cash outflow from just over EUR6 million to approximately EUR2.5 million. The transactions are summarised below:

1. Settlement of PMG Earn-out - reducing short term cash commitment from EUR 4.5 million to EUR 2.25 million.
2. Sale of 9% of the shares in Acroud Media Ltd - reducing contingent liabilities by EUR 13.5 million
3. Waiver the mandatory partial payment of the bond - reducing short-term cash outflow by approx. EUR 2 million.
4. Equity injection of SEK 22 million.
5. Conversion of bonds to equity - reducing long term borrowings by SEK 25 million and reducing quarterly interest costs.
6. Conversion of shareholder loan to equity – reducing long term borrowings by SEK 4.3 million.

For more information on the Written Procedure, please refer to Press Release issued 27 June 2023 which can be found on the Company's website www.acroud.com

Key figures

	APR - JUN			JAN-JUN			LTM	
EUR thousands	2023	2022	Y/Y%	2023	2022	Y/Y%	Jun-23	Y/Y%
Revenue	10 281	7 200	43%	19 581	14 203	38%	36 545	34%
Revenue Growth, %	43%	16%	27pp	38%	21%	17pp	34%	(29pp)
Organic Growth, %	(26.5%)	15%	(41.5pp)	(23.8%)	15%	(38.8pp)	(13%)	(22pp)
EBITDA	588	1 802	(67%)	2 702	4 050	(33%)	6 540	7%
EBITDA margin, %	6%	25%	(19pp)	14%	29%	(15pp)	18%	(5pp)
Adjusted EBITDA	1 614	1 802	(10%)	3 755	3 583	5%	7 744	31%
Adjusted EBITDA margin, %	16%	25%	(9pp)	19%	25%	(6pp)	21%	(1pp)
Profit after tax	(21 258)	1 248	(1 803%)	(21 324)	2 431	(977%)	(42 179)	(1 681%)
Earnings per share (after dilution)	(0.104)	0.010	(1 140%)	(0.104)	0.019	(647%)	(0.206)	(1 081%)
Adjusted Profit after tax	(931)	588	(258%)	(1 111)	1 138	(198%)	(737)	(154%)
Adjusted Earnings per share (after dilution)	(0.005)	0.005	(200%)	(0.005)	0.009	(156%)	(0.004)	(140%)
Net Debt / Adjusted EBITDA rolling 12 months)	2.2	2.9	24%	2.2	2.9	24%	2.2	24%
New Depositing Customers (NDCs)	117 365	35 134	234%	210 024	68 672	206%	327 902	133%

pp = percentage points

CEO Comments

Towards strengthening the balance sheet, reducing debt and securing cash flows

Q2 2023 marked a new all-time high for both revenues and New Depositing Customers (NDCs). Revenues amounted to EUR 10 281 thousand (compared to EUR 7 200 thousand in Q2 2022), and NDCs amounted to 117,365 compared to the 35,134 of the same quarter last year. The quarter's results showed weaker margins, in part due to increased investments in the media business and one-off costs incurred during the quarter, amounting to EUR 1 026 thousand.

After the reporting period, the group engaged in a series of transactions involving both changes to earn-out agreements and reduced future commitments for Acroud. This concerns both additional purchase prices to be paid and the removal of the future obligation to acquire additional shares in current subsidiaries.

Through these agreements, Acroud will lower its debt excluding the bond from EUR26 million to EUR6.5 million and will reduce short-term cash outflow from just over EUR6 million to approximately EUR2.5 million.

Furthermore, the main shareholders, Trottholmen AB and Strategic Investment, will subscribe to a new issue of SEK 22 million to strengthen the company's financial position.

We have also implemented further cost savings in our old core business, where we have now moved the operations and development of our casino products, to a team with whom we have previously cooperated successfully. The reason for this is that our own casino products have seen a continuous decline in revenues over the last 5 years and we have not been able to reverse the trend despite the various attempted leadership and strategy changes. So based on this, we decided it was time for a drastic change, a change where no "legacy" and sacred cows burden the way of thinking. As a result of this, we are lowering our operating costs while giving our partners a clear incentive to grow our casino sites since they share in the profitability increases. We expect to see the result of this and the investments in the media business during Q4 2023 and onwards.

The fact that our old core business has been performing so poorly for a long time has also led us to the decision to impair Goodwill by a further EUR 20 million.

Acroud now consists of a group of companies, where all staff have both passion and clear incentives to drive each company successfully and contribute to Acroud's improved profitability and increased shareholder value.



Following the mentioned decisions that have been taken in this quarter, we have now "cleaned up" and look forward to taking the company forward and upwards from this platform.

All in all, I am grateful to everyone who has contributed to the above changes being implemented. We have been able to achieve this thanks to the flexibility and commitment of all our employees, the founders of PMG and TGC's desire to jointly build a successful company, our two largest shareholders who strengthen our cash position, and our bondholders who have constructively supported this solution.

With this secured, we can be really optimistic about the future.

Join The Ride!

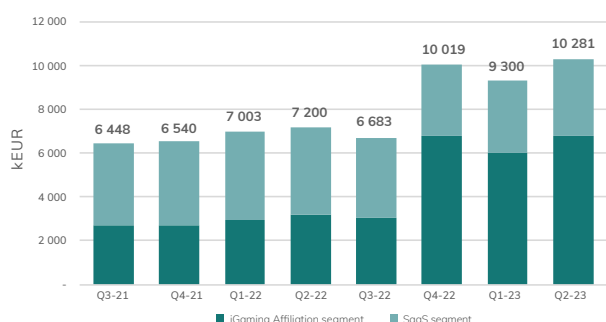
Robert Andersson
August 10, 2023

Group development

Revenue

Revenue for Q2 2023 amounted to EUR 10 281 (7 200) thousand, an increase of 43% when compared to Q2 2022. This increase is mainly driven by the revenue of the latest acquisition of Acroud Media in Q4 2022. Revenues in the iGaming Affiliation business accounted for 66% (44%) of total revenue and revenues in the SaaS Segment accounted for 34% (56%) of total revenue. The number of New Depositing Customers (NDCs) in Q2-2023 delivered to our customers continued to increase, reaching 117 365 (35 134) NDCs. The 234% year-on-year growth in the NDC development is led by the iGaming affiliation including the latest acquisition. NDCs delivered by network-based SaaS business have increased 15% year-on-year and 5% quarter-on-quarter.

Group Revenue Development



Costs

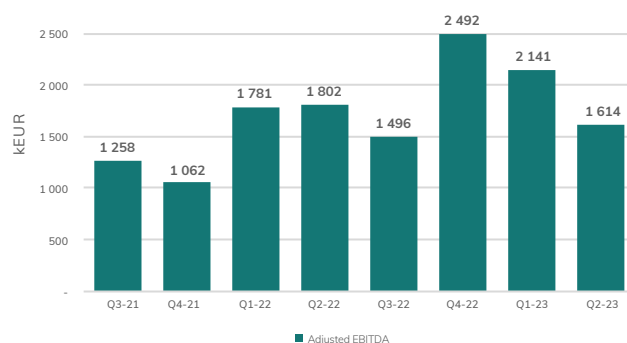
Total operating expenses for Q2 2023, including items effecting comparability, totalled EUR 9 693 thousand compared to EUR 5 398 in same quarter previous year. The increase is mainly attributable to an increase in paid media costs in relation to the acquisition of Acroud Media Ltd in Q4 2022, partly net off by a decrease in affiliate costs in the SaaS segment. Personnel costs increased slightly when compared to the same quarter last year, amounting to EUR 1 165 (902) thousand. The increase in personnel costs is also attributable to the new acquisition. When compared to Q1 2023, personnel expenses, including items affecting comparability, have increased by 18% from EUR 989 thousand in Q1 2023 to EUR 1 165 in Q2 2023. However, if we exclude items effecting comparability, personnel expenses have increased by 11% from EUR 979 in Q1 2023 to EUR 1 090 in Q2 2023. This increase is mainly attributable to the Media business.

Other external expenses (EUR 7 548 thousand), excluding items affecting comparability, have increased year-on-year due to the introduction of significant paid media costs led by the acquisition. When compared to Q1 2023, other external expenses have increased from EUR 6 154 thousand to EUR 7 548 thousand which is mainly a result of an increase in paid media costs in the affiliation segment. Even though we have seen an increase in revenue in the iGaming Affiliation segment, the increase in costs were higher than this as the Media business is continuously investing in growth strategies. Items affecting comparability in the second quarter of 2023 were related to EUR 20 million impairment charge; EUR 297 thousand relating to termination benefits; EUR 417 thousand in link building costs as a result of a change in accounting estimate; EUR 275 thousand one-off expenses incurred in relation to the Written Procedure under the outstanding bond loan as mentioned in the important events during the quarter, EUR 5 thousand one-off charge to reflect the final earnouts relating to Power Media Group and The Gambling Cabin and EUR 657 thousand of amortised bond redemption fee and discount and favourable currency effects.

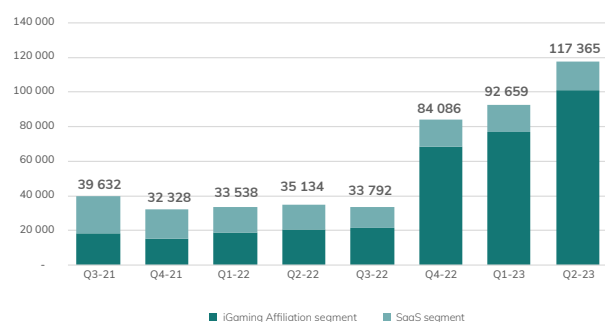
Profitability

Adjusted earnings before interest, tax depreciation and amortisation (EBITDA) on a group level totalled EUR 1 614 (1 802) thousand, resulting in a decrease of 10% year-on-year. This decrease is mainly a result of an increase in costs in Q2 2023 in order to improve revenue growth in the Paid Media business. Profit after tax in the second quarter amounted to EUR -21 258 thousand (1 248). Adjusted for one-off costs mentioned above, the profit after tax amounted to EUR -931 (588) thousand. The decrease is a result of a lower EBITDA, higher amortisation costs and interest costs. Earnings per share (EPS) after dilution amounts to -0.104 (0.010). Adjusted EPS after dilution amounts to -0.005 (0.005). Following the latest acquisition of Acroud Media Ltd, operating in the United Kingdom, the Group now operates with an effective tax rate of approximately 33%.

Adjusted EBITDA Development



Group NDCs Development



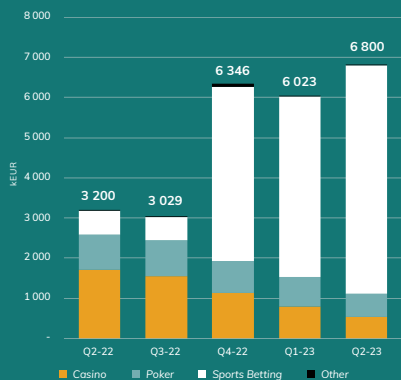
iGaming Affiliation

iGaming Affiliation revenues during Q2 2023 amounted to EUR 6 801 (3 199) thousand, representing an increase of 113% year-on-year and 13% quarter-on-quarter. Revenue growth is mainly driven by the latest acquisition generating a total revenue of EUR 5 019 thousand during the period. Excluding the acquisition, revenue decreased quarter-on-quarter by 19% mainly attributable to a decrease of 33% and 20% in casino and poker respectively, which was partly compensated by an increase in sports betting of 27% as a result of organic growth initiatives.

Revenue growth is persisting as we continue diversifying our revenue streams and risk profile, even more so with the acquisition of Acroud Media Ltd and the introduction of the paid media business. Such business is supporting Acroud's expansion into the Sports Betting vertical, adding considerable recurring Revenue Share sportsbook revenue from some of the world's most prominent Sport Book providers. This aligns with Acroud's strategic agenda of creating a lower volatility profile with more stable revenue generation and profitability. It will further solidify the Company's efforts to develop a low-risk, high-growth business as the acquired assets leverage IMBC (Intelligent Media Buying Capabilities) rather than being dependent on SEO algorithms.

As communicated in the previous quarters, another initiative executed is the strategic move to Social- and Community-based Affiliation via the acquisition and expansion of The Gambling Cabin. Social- and Community-based Affiliation generated 5% (15%) of Q2-2023 Affiliation revenues. SEO affiliation business generated 21% of Q2-23 (82% in Q2-22) affiliation revenues whereas Paid Media business generated 74% of Q2-23 (4% in Q2-22) affiliation revenues.

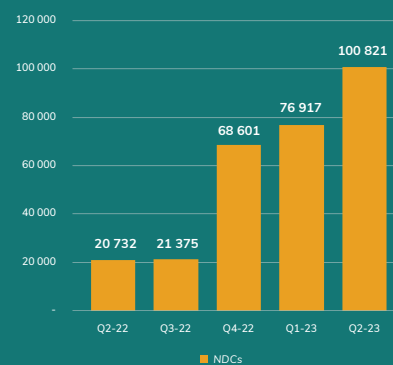
Revenue Development
iGaming Affiliation Segment



Adjusted EBITDA Development
iGaming Affiliation Segment



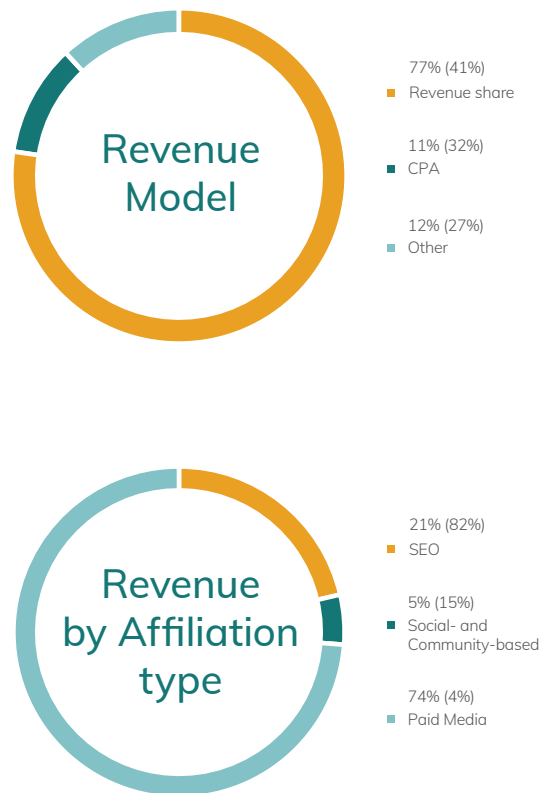
NDCs Development
iGaming Affiliation Segment



The iGaming segment has delivered a high number of New Depositing Customers (NDCs), reaching 100 821 (20 732) NDCs during Q2-23. The acquisition on its own has generated 93 169 NDCs during the period. We see continued high NDC numbers and expect to continue growing as the underlying KPIs on our sites show positive trends especially with the latest acquisition.

Revenue derived through revenue-sharing amounted to 77% (41% in Q2 2022) mainly driven from revenue derived through revenue-sharing contributed by Acroud Media Ltd during Q2-23. Such acquisition is expected to contribute over EUR 9 million to the total Group revenue of which 80-85% is coming from revenue share deals. This is aligned with Acroud's strategic agenda of creating a lower volatility profile with more stable revenue generation and provides the Company with long-term stability.

During Q2-23 iGaming affiliation adjusted EBITDA amounted to EUR 1 231 thousand, representing a decrease of 17% year-on-year and 38% when compared to the previous quarter EBITDA. EBITDA margin (adjusted for one-off costs) during the Q2-2023 amounted to 18%.



SaaS

Acroud has two SaaS solutions as part of its product offering: Subscription-model and Network-model.

- The Subscription model offers pure SaaS products built specifically for other affiliates and content creators to track their operational KPIs performance with the goal of increasing their growth and profit potential.
- The Network model provides to affiliates and content creators a similar product as the Subscription model, plus access to a large pool of clients, deals and campaigns that would otherwise be out of their reach.

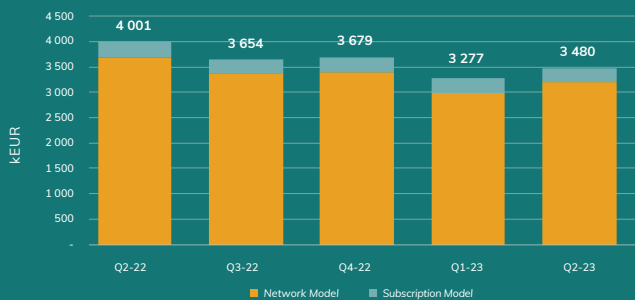
The SaaS segment registered revenues of EUR 3 480 thousand, resulting in a decline of 13% year-on-year but an increase of 6% over Q1 2023. Revenues derived from subscription-model amounted to EUR 284 thousand which reflects an insignificant quarter-on-quarter decrease of 3% while Network model revenues amounted to Eur 3 196 which represents a quarter-on-quarter increase of 7%.

The number of New Depositing Customers (NDCs) delivered to customers via the Network-model increased quarter-on-quarter by 5% reaching 16 544 and increased when compared to the same period last year by 15% (14 402). The consistent increases in NDCs in the SaaS Segment are expected to translate into revenue increases in the coming quarters.

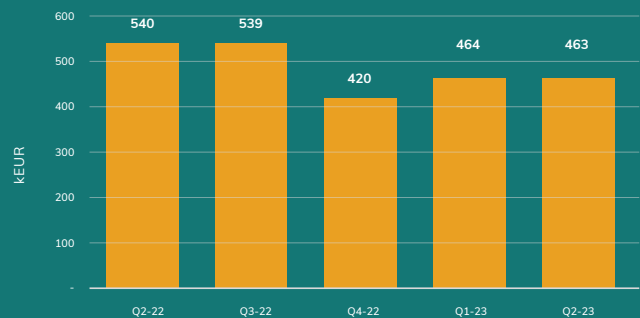
The number of Revenue Generating Units (RGUs), which measures the amount of clients serviced and billed by our SaaS segment during Q2 2023 amounted to 428 representing a quarter-on-quarter increase of 3% (416) while it remained in line with the same period last year.

EBITDA in the SaaS business remained in line with the previous quarter and amounted to EUR 463 thousand which represents a decline of 14% over the same period last year, decrease that is in line with the aforementioned drop in revenue.

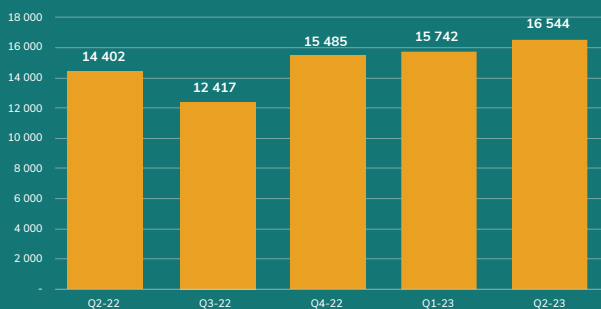
Revenue Development SaaS Segment



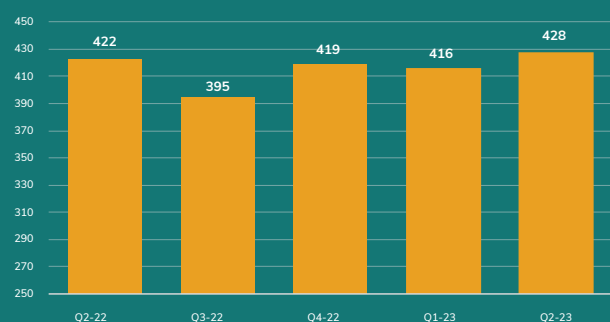
Adjusted EBITDA Development SaaS Segment



NDCs Development SaaS Segment



RGUs Development SaaS Segment



Financial position

Cash flow and investments

Cash flow from operating activities during Q2 2023 amounted to EUR 2 008 (EUR 1 540) thousand, out of which EUR 341 (50) thousand were used to pay income tax. The increase is mainly related to an improved working capital, netted off by a decrease in EBITDA when compared to Q2 2022. The Company continues to have a very low level of credit losses.

Cash flow from investing activities, apart from acquisition activities, is limited as the Company's business model is not capital-intensive, amounted to EUR -42 thousand in the second quarter of 2023, compared with EUR -439 thousand in Q2 2022. The lower amount in Q2 2023 is attributable to a decrease in the acquisitions of intangible assets which are mainly related to the development of our products, particularly in the iGaming business.

Cash flow from financing activities amounted to EUR -863 (-2 397) thousand in Q2 2023, which consisted primarily of bond interest payments of EUR -605 thousand compared to EUR -340 thousand in Q2 2022 (increase in interest paid is related to a higher interest expense attributed to the new bond issue over the previous bond which was redeemed in 2022). In Q2 2022, cash flow from financing activities were affected by EUR -1 827 thousand of repayment of borrowings. Further, cash flow from financing activities also consisted of payments on lease liabilities of EUR 57 (230) thousand.

Liquidity and financial position

At the end of the period, the Group's interest-bearing net debt was EUR 17 057 thousand, compared with EUR 17 064 thousand at the end of Q2 2022. The year-on-year movement in the interest-bearing net debt is mainly attributable to an increase in lease liabilities and accrued interest on the newly issued bond, netted off by an increase in cash balances. Acroud's current gross debt amounts to SEK 238 million, of which the bond amounts to SEK 220 million. Converted using the closing rate, the bond loan amounts to EUR 18 173 thousand.

As of 30 June 2023, the net debt/adjusted EBITDA ratio is 2.2x which is already lower than Acroud's long-term target of a maximum net interest bearing debt / adjusted EBITDA ratio of 2.5x over time. During 2023 and beyond, the Company will continue its efforts to maintain this net debt / EBITDA ratio.

As at end of Q2 2023, the Company had total provisions of EUR 25 768 (9 722) thousand for potential additional consideration payments in relation to acquisitions. The main increase when compared to the same quarter last year is in relation to the acquisition of Acroud Media Ltd.

The bond loan outstanding at the end of the reporting period is due for payment in July 2025; it is therefore reported under non-current liabilities in the balance sheet in this interim report.

During the second quarter of 2022, Acroud has successfully placed SEK 225 million of senior secured floating rate bonds to investors in Europe and has also successfully completed early redemption of the old bond during July 2022. The translation effect of converting the bond loan and certain cash proceeds from SEK to EUR at the end of Q2 2023 was EUR 825 (660) thousand, which positively impacted net financial items. The Company's cash and cash equivalents at the end of Q2 2023 amounted to EUR 3 064 (1 240) thousand.

The equity ratio was 4 (58) percent, and equity was EUR 2 380 (44 221) thousand on 30 June 2023. The Company conducts quarterly impairment testing to assess whether there is any goodwill impairment. As at 30 June 2023, the group recognised a one-off impairment charge of EUR 20 million relating to assets stemming from Net Gaming (former name of Acroud) acquisition of Highlight Media business back in 2016.

Financial forecast & targets

In May 2022, the Board of Acroud has set new financial objectives for financial years 2023 - 2025:

Organic EBITDA growth for 2023 - 2025

Acroud's target is to continue growing EBITDA organically by, on average, 20% annually during the financial years 2023 to 2025. Acroud aims to grow its revenue organically at an efficient cost base to ensure consistent and sustainable EBITDA growth.

Capital structure

Organic EBITDA growth is to be achieved at low financial risks. Acroud's financial target is to decrease the net-interest bearing debt/adjusted EBITDA to 2.5x or lower by December 2025.

Dividend policy

Acroud will prioritise growth through organic growth initiatives and will make optimisation of the capital structure rather than dividends its priority.

Overview of outcomes of financial targets

The table below shows the outcomes of the defined financial targets:

Period	Organic EBITDA Growth	Capital structure (rolling 12 months)
Jan-Jun 2023	-54%	2.2

Other information

Parent Company

Acroud AB is the ultimate holding company in the Group (hereinafter referred to as the "the Company" or "the Parent Company") and was registered in Sweden on 14 December 2005. The Company's shares have been listed on Nasdaq First North Premier Growth Market since June 2018. The Group's financing is arranged in the Parent Company via a bond, which is registered on Nasdaq Stockholm's Corporate Bond list. In Q2-23, the Parent Company received dividends from subsidiaries amounting to EUR 1.7 (1.3) million.

Relevant risks and uncertainties

Acroud is exposed to a number of business and financial risks. Risk management within the Acroud Group is aimed at identifying, controlling and reducing risks. This is achieved based on a probability and impact assessment. The risk assessment is unchanged from the risk profile presented on pages 16, 28 and 66-68 of the 2022 annual report.

Seasonality

Acroud is affected by seasonal variations particularly in the iGaming Affiliation segment, with Q1 (Jan-Mar) and Q4 (Oct-Dec) revenue being somewhat stronger, while Q2 (Apr-Jun) and Q3 (Jul-Sep) are relatively weaker. The revenue seasonality follows the normal pattern for the iGaming industry.

Share Capital

Share capital on 30 June 2023 amounted to EUR 3 450 thousand divided into 136 370 764 shares, distributed as shown below. The Company has one class of shares – A shares. Each share entitles the holder to (1) vote at the shareholders' meeting. The number of shareholders on 30 June 2023 was 1 699. An employee share option program was launched in March 2021. See note 5 for additional information.

Name	No. of shares	Ownership, %
Trottholmen AB	57,390,981	42.08%
Strategic Investment A/S (JPM Chase)	24,005,000	17.60%
Six Sis AG	11,300,004	8.29%
RIAE Media Ltd	8,456,721	6.20%
Swedishsantas Media AB	3,925,000	2.88%
Byggnadsaktiebolaget Westnia	3,104,407	2.28%
Flise Invest APS	2,799,788	2.05%
Gary Gillies	1,716,845	1.26%
Avanza Pension	1,476,254	1.08%
Strunge Invest APS	1,430,308	1.05%
Saxo Bank	1,346,677	0.99%
Trading House Scandinavia	1,176,400	0.86%
Bank Julius Baer & Co Ltd	1,111,111	0.81%
Robert Andersson	1,066,500	0.78%
Nordnet Pensionsförsäkring AB	1,060,446	0.78%
Other shareholders	15,004,322	11.01%
TOTAL	136,370,764	100.00%

Supplementary information

The Board of Directors and the CEO hereby certify that this report provides a true and fair view of the Parent Company's and the Group's operations, financial position and financial performance for the current period, and describes material risks and uncertainties faced by the Parent Company and other Group companies.

Stockholm, 10 August 2023

This interim report has not been audited or reviewed by the Company's auditors.

BOARD AND CEO

Peter Åström
Chairman

Staffan Dahl
Director

Richard Gale
Director

Robert Andersson
President and CEO

For further information, please contact

Robert Andersson, President and CEO
Mobile: +356 9999 8017
E-mail: robert.andersson@acroud.com

Tricia Vella, CFO
Mobile: +356 7905 7755
E-mail: tricia.vella@acroud.com

Forthcoming report dates

Interim report July-September 2023: 9 November 2023

Presentation for investors, analysts and media

A live webcast will be held on 10th August 2023 at 10.00 a.m. Swedish time.
CEO Robert Andersson and CFO Tricia Vella will present the report in English.
You can follow the presentation here: <https://ir.financialhearings.com/acroud-q2-2023>.

To join the conference call:

Sweden: +46 8 525 07003
UK: +44 20 7043 5048
US: +1 (774) 450-9900

Then insert Conference ID 200903#

The appointed Certified Adviser is FNCA Sweden AB, info@fnca.se, +46 8 528 00 399.



Q2 2023 Financial Statements

Financial Report

Consolidated Statement of Comprehensive Income

Amounts in kEUR	01/04/2023 30/06/2023	01/04/2022 30/06/2022	01/01/2023 30/06/2023	01/01/2022 30/06/2022
Revenue (notes 2, 3)	10 281	7 200	19 581	14 203
Total revenue	10 281	7 200	19 581	14 203
Capitalised work for own account	-	324	7	717
Other external expenses	(8 462)	(4 761)	(14 633)	(9 390)
Personnel expenses	(1 165)	(902)	(2 154)	(1 850)
Other operating income	-	-	-	459
Other operating expenses	(66)	(59)	(99)	(89)
EBITDA	588	1 802	2 702	4 050
Depreciation/amortisation	(1 187)	(617)	(2 326)	(1 184)
Impairment of goodwill (note 9)	(20 000)	-	(20 000)	-
Operating profit/(loss) (EBIT)	(20 599)	1 185	(19 624)	2 866
Interest and similar income	2	3	5	8
Interest and similar expenses	(1 069)	(579)	(2 141)	(1 165)
Other financial items	553	701	762	869
Earn out revaluation (note 9)	5	-	5	-
Profit/(loss) from financial items	(509)	125	(1 369)	(288)
Profit/(loss) before tax	(21 108)	1 310	(20 993)	2 578
Tax on profit for the period	(150)	(62)	(331)	(147)
Profit/(loss) for the period	(21 258)	1 248	(21 324)	2 431
Earnings per share (EUR)	(0.156)	0.010	(0.156)	0.019
Earnings per share after dilution (EUR)	(0.104)	0.010	(0.104)	0.019
Other comprehensive income, income and expenses recognised directly in equity				
Exchange differences on translation of foreign operations	(49)	(32)	(57)	(15)
Other comprehensive income for the period	(49)	(32)	(57)	(15)
Total comprehensive income for the period	(21 307)	1 216	(21 381)	2 416

Consolidated Statement of Financial Position

Amounts in kEUR	30/06/2023	30/06/2022	31/12/2022
Assets			
Non-current assets			
Goodwill	21 324	51 080	41 324
Other intangible assets	26 742	17 294	28 885
Right-of-use assets	542	335	652
Property, plant and equipment	179	145	194
Investment in associate	1	1	1
Other non-current receivables	62	91	84
Deferred tax assets	229	278	229
Total non-current assets	49 079	69 224	71 369
Current assets			
Trade receivables	2 454	2 004	3 219
Other receivables	1 523	2 073	375
Tax receivable	205	-	205
Prepayments and accrued income	1 989	2 074	2 293
Cash and cash equivalents	3 064	1 240	2 416
Total current assets	9 235	7 391	8 508
Total assets	58 314	76 615	79 877
Equity and liabilities			
Equity (note 5)	2 380	44 221	24 319
Non-current liabilities			
Loans and borrowings (note 6)	18 173	-	18 912
Deferred tax liabilities	3 636	1 448	4 017
Liabilities to Shareholder	-	-	378
Other liabilities	20 984	3 494	21 401
Lease liabilities	329	211	433
Total non-current liabilities	43 122	5 153	45 141
Current liabilities			
Loans and borrowings (note 6)	-	17 457	-
Liabilities to Shareholder	361	384	-
Trade Payables	570	361	151
Tax liabilities	1 128	353	944
Other liabilities	8 159	6 770	6 623
Lease liabilities	211	125	205
Accruals and deferred income	2 383	1 791	2 494
Total current liabilities	12 812	27 241	10 417
Total equity and liabilities	58 314	76 615	79 877

Consolidated Statement of Changes in Equity

Amounts in kEUR	Share capital	Other paid-in capital	Reserves	Retained earnings, incl. period's earnings	Total equity
Opening equity, 1 Jan 2022	3 280	24 981	2 683	11 003	41 947
Transactions with owners:					
- New issue of own shares as consideration for acquisitions	170	986	-	-	1 156
- Share-based payments - value of employee benefits	-	77	-	-	77
- Dividends	-	-	-	(343)	(343)
Loss for the year	-	-	-	(18 421)	(18 421)
Other Comprehensive income for the year	-	-	(97)	-	(97)
Closing equity, 31 Dec 2022	3 450	26 044	2 586	(7 761)	24 319
Opening equity, 1 Jan 2023	3 450	26 044	2 586	(7 761)	24 319
Transactions with owners:					
- Share-based payments - value of employee benefits	-	23	-	-	23
- Dividends	-	-	-	(501)	(501)
Loss for the period	-	-	-	(67)	(67)
Other Comprehensive income/(loss) for the period	-	-	(8)	-	(8)
Closing equity, 31 Mar 2023	3 450	26 067	2 578	(8 329)	23 766
Opening equity, 1 Apr 2023	3 450	26 067	2 578	(8 329)	23 766
Transactions with owners:					
- Share-based payments - value of employee benefits	-	21	-	-	21
- Dividends	-	-	-	(100)	(100)
Loss for the period	-	-	-	(21 258)	(21 258)
Other Comprehensive income/(loss) for the period	-	-	(49)	-	(49)
Closing equity, 30 June 2023	3 450	26 088	2 529	(29 687)	2 380

Consolidated Cash Flow Statement

Amounts in kEUR	01/04/2023 30/06/2023	01/04/2022 30/06/2022	01/01/2023 30/06/2023	01/01/2022 30/06/2022
Operating activities				
Profit/(loss) before tax	(21 108)	1 310	(20 993)	2 578
Adjustments for non-cash items not included in operating activities				
Depreciation and amortisation of assets	1 187	617	2 326	1 184
Impairment of goodwill (note 9)	20 000	-	20 000	-
Exchange gains/(losses) on financial receivables and liabilities	(602)	(733)	(820)	(885)
Costs for share-based programmes	21	27	44	53
(Gain)/loss on sale of other assets	-	41	-	(447)
Earn out revaluation (note 9)	(5)	-	(5)	-
Interest and similar expenses	1 069	579	2 141	1 165
Interest and similar income	(2)	(3)	(5)	(8)
Tax paid	(341)	(50)	(527)	(161)
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in operating receivables	286	(279)	(50)	(212)
Increase (+)/Decrease (-) in operating liabilities	1 162	(19)	562	(292)
Cash flow from operating activities	1 667	1 490	2 673	2 975
Investing activities				
Acquisition of property, plant and equipment	(14)	(72)	(22)	(86)
Acquisition of intangible assets	(161)	(517)	(327)	(1 217)
Proceeds from sale of other assets	133	150	293	1 012
Cash flow from investing activities	(42)	(439)	(56)	(291)
Financing activities				
Repayment of borrowings	-	(553)	-	(1 111)
Payment of borrowings	-	(1 274)	-	(1 274)
Dividends paid	(201)	-	(602)	(196)
Interest paid	(605)	(340)	(1 203)	(684)
Interest received	-	-	-	5
Repayment of lease liabilities	(57)	(230)	(128)	(380)
Cash flow from financing activities	(863)	(2 397)	(1 933)	(3 640)
Cash flow for period	762	(1 346)	684	(956)
Cash & cash equivalents at beginning of period	2 333	2 608	2 416	2 202
Exchange differences	(32)	(17)	(43)	(27)
Reclassification to cash & cash equivalents from other current financial assets	1	(5)	7	21
Cash & cash equivalents at end of period	3 064	1 240	3 064	1 240

Income Statement – Parent Company

Amounts in kEUR	01/04/2023 30/06/2023	01/04/2022 30/06/2022	01/01/2023 30/06/2023	01/01/2022 30/06/2022
Revenue	-	16	-	31
Total Revenue	-	16	-	31
Operating expenses				
Other external expenses	(353)	(90)	(527)	(175)
Personnel expenses	(22)	(29)	(50)	(60)
Other operating expenses	-	(26)	-	(35)
Other operating income	7	-	7	-
EBITDA	(368)	(129)	(570)	(239)
Impairment on investment in subsidiaries	-	-	-	-
Operating profit/(loss)	(368)	(129)	(570)	(239)
Profit from investments in Group companies	1 690	1 305	2 591	2 009
Interest and similar expenses	(829)	(560)	(1 627)	(1 117)
Other financial items	858	694	1 171	866
Profit/(loss) after financial items	1 351	1 310	1 565	1 519
Tax on profit for the period	-	-	-	-
Profit/(loss) for the period	1 351	1 310	1 565	1 519

Balance Sheet – Parent Company

Amounts in kEUR	30/06/2023	30/06/2022	31/12/2022
Assets			
Total non-current assets	53 600	52 730	52 714
Total current assets	1 721	2 009	1 396
Total assets	55 321	54 739	54 110
Equity and liabilities			
Equity	7 367	25 859	5 758
Total non-current liabilities	39 157	3 494	40 690
Total current liabilities	8 797	25 386	7 662
Total equity and liabilities	55 321	54 739	54 110

Notes to the Group's interim report

1. Accounting policies

This interim report has been prepared in accordance with IAS 34. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, IFRS. For detailed information about the Group's accounting policies, see note 2 of the Company's Annual Report 2022.

Fair value of financial instruments

When determining the fair value of an asset or liability, the Group uses observable data as far as possible in accordance with IFRS 13. Fair value measurement is based on the fair value hierarchy, which categorises inputs into different levels. For further detailed information, refer to page 43 of the 2022 annual report.

The following items are measured at amortised cost, with their carrying amounts being a reasonable approximation of their fair values due to their short-term nature: trade receivables, other receivables, cash and cash equivalents, trade payables and other liabilities. In addition, the Company has a bond loan of SEK 225 million which amounts to SEK 220 million (EUR 18 633 thousand based on 30 June 2023 closing rate) when issued at 95% of par. The bond is measured at amortised cost and is categorised in level 2 of the fair value hierarchy, based on listings with brokers. Similar contracts are traded in an active market, and the rates reflect actual transactions for comparable instruments.

At 30 June 2023, the Company did not have any other financial instruments categorised in level 2 of the fair value hierarchy. There were no transfers between levels during 2023 or 2022.

Critical Accounting Estimates

In Q2 2023, management continued to conduct impairment testing of the Company's goodwill and intangibles, broken down into four major separate CGUs. Management continually assesses the group's strategy in light of the changing environment and, as a result, projected future earnings are regularly reviewed. An impairment charge of EUR 20 million was recognised during Q2 2023. The impairment is fully emanating from the iGaming SEO Affiliation CGU, impacted by a drop in performance of the Highlight Media assets acquired in 2016. The recoverable amount is sensitive to reasonable growth assumptions and deviations from the growth plan could result in additional impairment. All other CGUs are performing well and have a healthy headroom.

During the past three years, the Group has executed three acquisitions each including a contingent liability payable in the future based on performance. As at 30 June 2023, the total amount of current and non-current liabilities in relation to these contingent liabilities amounted to EUR 25 768 thousand, payable partly in cash and partly in shares. Management assesses the carrying amount of these contingent liabilities based on the latest available information. These carrying amounts are sensitive to fluctuations in performance and the respective carrying amounts are adjusted accordingly.

2. Organic revenue growth

Acroud will continuously invest in the core business and new internal growth initiatives to ensure strong and sustainable organic growth. Acroud's definition of organic growth is based on net sales compared with the previous period, excluding acquisitions in accordance with IFRS 3 (in the last 12 months), divestments and exchange rate movements.

Organic revenue growth - bridge Q2 2023

Amounts in kEUR

	01/04/2023 30/06/2023 Growth, %	01/04/2023 30/06/2023 Absolute Figures	01/04/2022 30/06/2022 Absolute Figures	Deviation Absolute Figures
Total Growth, EUR	42.8%	10 281	7 200	3 081
Adjustment for acquired and divested/discontinued operations	(69.6%)	(5 019)	(11)	(5 008)
Total Growth in EUR, excluding acquired and divested/discontinued operations	(26.8%)	5 262	7 189	(1 927)
Adjustment for constant currency	0.3%	-	(34)	34
Total organic revenue growth	(26.5%)	5 262	7 155	(1 893)

Organic revenue growth - bridge Q2 2022

Amounts in kEUR

	01/04/2022 30/06/2022 Growth, %	01/04/2022 30/06/2022 Absolute Figures	01/04/2021 30/06/2021 Absolute Figures	Deviation Absolute Figures
Total Growth, EUR	16.1%	7 200	6 200	1 000
Adjustment for acquired and divested/discontinued operations	0.9%	-	(45)	45
Total Growth in EUR, excluding acquired and divested/discontinued operations	17.0%	7 200	6 155	1 045
Adjustment for constant currency	(2.0%)	-	109	(109)
Total organic revenue growth	15.0%	7 200	6 264	936

3. Revenue

The Group's revenue for Q2 2023 and 2022 was distributed as follows:

Amounts in kEUR	01/04/2023 30/06/2023	01/04/2022 30/06/2022	01/01/2023 30/06/2023	01/01/2022 30/06/2022
<i>Revenue by vertical within iGaming Affiliate Segment</i>				
Casino	525	1 699	1 311	3 148
Poker	592	888	1 334	1 734
Sports Betting	5 684	598	10 175	1 215
Other affiliation verticals	-	14	4	71
Total revenue in iGaming Affiliate Segment	6 801	3 199	12 824	6 168
<i>Revenue by vertical within SaaS Segment</i>				
Network model	3 196	3 687	6 181	7 484
Subscription model	284	314	576	551
Total revenue in SaaS Segment	3 480	4 001	6 757	8 035
Total Group revenue	10 281	7 200	19 581	14 203

4. Segment reporting

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer that are used to make strategic decisions. The Chief Executive Officer is also determined to be the Chief Operating Decision Maker (CODM) as defined in IFRS 8.

The Group's operations are segregated primarily into two segments, namely iGaming Affiliation and SaaS. The following summary describes the operations in each of the Group's reportable segments:

- iGaming Affiliation segment comprises Acroud AB's underlying affiliate business containing Casino, Poker and Betting verticals. Through this segment, Acroud delivers high quality content, search engine optimisation, paid media strategies and cutting-edge technology improvements to its affiliate assets which are used to generate valuable traffic and new depositing customers to our partners.
- SaaS segment comprises Software as a Service (SaaS). Through SaaS, the Group provides a software solution enabling clients to better analyse and monetise their traffic sources. Acroud AB is also providing media creators (website affiliates, bloggers, Youtubers etc...) access to a large pool of gaming campaigns that would otherwise be out of their reach, unique software and a single payment/contact for all affiliation activities.

The Chief Executive Officer primarily uses a measure of adjusted earnings before interest, tax, depreciation, and amortisation (EBITDA) to assess the performance of the operating segments. However, they also receive information about the segment's revenue and assets on a monthly basis. Interest and similar income and expenses and other financial assets are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

The amounts provided to the Chief Executive Officer with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. Segment assets consist primarily of Goodwill, Other intangibles assets, Right-of-use Assets, Property, plant and equipment, other non-current receivables, trade and other receivables and cash and cash equivalents; segment liabilities consist primarily of trade and other payables and lease liabilities. Income tax assets and liabilities and interest-bearing liabilities are not allocated to segments as they are managed by the treasury function.

Certain assets and liabilities relating to the parent entity of the Group, Acroud AB, are deemed to be managed by the group treasury function and are therefore classified under the unallocated category. Information to prepare segment reporting on a geographical basis is not available and the costs to develop such information in time for inclusion in the report is deemed excessive.

Amounts in kEUR

	Apr - Jun 2023				Apr - Jun 2022			
	iGaming Affiliation	SaaS	Unallocated	Total	iGaming Affiliation	SaaS	Unallocated	Total
External revenues	6 801	4 029	-	10 830	3 199	4 001	-	7 200
Inter-segment revenue	-	(549)	-	(549)	-	-	-	-
Segment revenue	6 801	3 480	-	10 281	3 199	4 001	-	7 200
Other external expenses	(5 629)	(2 703)	(130)	(8 462)	(1 500)	(3 197)	(64)	(4 761)
Personnel expenses	(702)	(310)	(153)	(1 165)	(505)	(262)	(135)	(902)
Other operating income /(costs)	(69)	(4)	7	(66)	294	(2)	(27)	265
EBITDA	401	463	(276)	588	1 488	540	(226)	1 802
Depreciation/Amortisation	(1 027)	(160)	-	(1 187)	(477)	(140)	-	(617)
Impairment of goodwill	(20 000)	-	-	(20 000)	-	-	-	-
EBIT	(20 626)	303	(276)	(20 599)	1 011	400	(226)	1 185
Interest and similar income	-	-	2	2	-	-	3	3
Interest and similar expenses	(237)	-	(832)	(1 069)	-	-	(579)	(579)
Other financial assets	(305)	-	858	553	-	-	701	701
Earn out revaluation	280	(275)	-	5	-	-	-	-
Profit/(loss) before tax	(20 888)	28	(248)	(21 108)	1 011	400	(101)	1 310
Tax on profit for the period	-	-	(150)	(150)	-	-	(62)	(62)
Profit/(loss) for the period	(20 888)	28	(398)	(21 258)	1 011	400	(163)	1 248
Material non-cash items								
Net foreign exchange gain/(loss)	(305)	-	858	553	6	-	694	700
Assets and liabilities								
Segment Assets	44 216	12 672	-	56 888	63 342	12 836	-	76 178
Unallocated Assets	-	-	1 426	1 426	-	-	437	437
Total assets	44 216	12 672	1 426	58 314	63 342	12 836	437	76 615
Additions to non-current assets	174	1	-	175	587	2	-	589
Segment Liabilities	(21 733)	(10 018)	-	(31 751)	(4 974)	(7 635)	-	(12 609)
Unallocated Liabilities	-	-	(24 183)	(24 183)	-	-	(19 785)	(19 785)
Total Liabilities	(21 733)	(10 018)	(24 183)	(55 934)	(4 974)	(7 635)	(19 785)	(32 394)

Amounts in kEUR

	Jan - Jun 2023				Jan - Jun 2022			
	iGaming Affiliation	SaaS	Unallocated	Total	iGaming Affiliation	SaaS	Unallocated	Total
External revenues	12 824	7 465	-	20 289	6 168	8 035	-	14 203
Inter-segment revenue	-	(708)	-	(708)	-	-	-	-
Segment revenue	12 824	6 757	-	19 581	6 168	8 035	-	14 203
Other external expenses	(9 132)	(5 226)	(275)	(14 633)	(2 797)	(6 470)	(123)	(9 390)
Personnel expenses	(1 239)	(596)	(319)	(2 154)	(1 054)	(522)	(274)	(1 850)
Other operating income /(costs)	(91)	(8)	7	(92)	1 118	5	(36)	1 087
EBITDA	2 362	927	(587)	2 702	3 435	1 048	(433)	4 050
Depreciation/Amortisation	(2 007)	(319)	-	(2 326)	(892)	(292)	-	(1 184)
Impairment of goodwill	(20 000)	-	-	(20 000)	-	-	-	-
EBIT	(19 645)	608	(587)	(19 624)	2 543	756	(433)	2 866
Interest and similar income	-	-	5	5	-	-	8	8
Interest and similar expenses	(485)	-	(1 656)	(2 141)	-	-	(1 165)	(1 165)
Other financial assets	(410)	1	1 171	762	-	-	869	869
Earn out revaluation	280	(275)	-	5	-	-	-	-
Profit/(loss) before tax	(20 260)	334	(1 067)	(20 993)	2 543	756	(721)	2 578
Tax on profit for the period	-	-	(331)	(331)	-	-	(147)	(147)
Profit/(loss) for the period	(20 260)	334	(1 398)	(21 324)	2 543	756	(868)	2 431
Material non-cash items								
Net foreign exchange gain/(loss)	(410)	1	1 171	762	(9)	-	382	373
Assets and liabilities								
Segment Assets	44 216	12 672	-	56 888	63 342	12 836	-	76 178
Unallocated Assets	-	-	1 426	1 426	-	-	437	437
Total assets	44 216	12 672	1 426	58 314	63 342	12 836	437	76 615
Additions to non-current assets	347	2	-	349	1 292	11	-	1 303
Segment Liabilities	(21 733)	(10 018)	-	(31 751)	(4 974)	(7 635)	-	(12 609)
Unallocated Liabilities	-	-	(24 183)	(24 183)	-	-	(19 785)	(19 785)
Total Liabilities	(21 733)	(10 018)	(24 183)	(55 934)	(4 974)	(7 635)	(19 785)	(32 394)

5. Share-based payments

Following a resolution during an Extraordinary General Meeting on 1 March 2021, an employee stock option program has been established for key personnel, management and senior executives in the Company and its subsidiaries. The award scheme has a service vesting condition of 3 years. A total of 5,600,000 employee stock options have been issued to senior executives, management and other key persons employed by the Company and its subsidiaries. The employee stock options were issued free of charge. Each employee stock option entails a right to acquire one (1) new share in the Company during the period from 15 March 2024 to 12 April 2024.

The fair value on the grant date was calculated using the Black-Scholes valuation model. This method takes into account subscription price, share price on the grant date, term of the warrant, expected share price volatility, expected dividend yield and risk-free interest over the term of the warrant.

For Q2 2023, the earnings impact of the share-based payments is EUR 21 thousand.

Number of options Amounts in kEUR	Group and Parent Company		
	30/06/2023	30/06/2022	31/12/2022
Outstanding at the beginning of the period	4 325 000	5 600 000	5 600 000
Granted during the period	-	-	-
Forfeited during the period	(665 718)	-	(1 275 000)
Total outstanding at the end of the period	3 659 282	5 600 000	4 325 000
Exercisable at the end of the period	-	-	-
Weighted average exercise price per option	3,25	3,25	3,25
Remaining weighted average contract period (years) for outstanding options	0,75	1,75	1,28

6. Loans and Borrowings

Borrowings consist of a bond loan amounting to SEK 225 (188) million which amounts to SEK 220 million when issued at 95% of par.

The carrying amount and market value of the bond are as follows:

Amounts in kEUR	30/06/2023	30/06/2022	31/12/2022
Corporate bond			
Nominal amount (issued at 95% of par)	18 633	17 521	19 521
Prepaid transaction costs	(460)	(64)	(609)
Carrying amount	18 173	17 457	18 912

The bond matures in July 2025 and was listed for institutional trading on Nasdaq Stockholm's Corporate Bonds list on 5 July 2022. The bond has a variable interest rate of Stibor 3m + 9.5%.

Bond transaction costs

Acroud recognises loan liabilities initially at fair value after transaction costs, and thereafter at amortised cost. Amortised cost is calculated based on the effective interest method used at initial recognition. This means that premiums and discounts and direct issue costs are amortised over the term of the liability.

7. Related-party transactions

There were no related party transactions that significantly affected the Company's earnings and financial position during the period. For information on related-party transactions, see note 28 of the 2022 annual report.

8. Pledged assets

Pledged assets are possible obligations that arise from past events and whose existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events outside the Group's control, or when there is an obligation arising from past events which is not recognised as a liability or provision because it is not probable that an outflow of resources will be required to settle the obligation or the amount cannot be measured with sufficient reliability.

Amounts in kEUR	Group		Parent Company	
	30/06/2023	31/12/2022	30/06/2023	31/12/2022
Net assets/Shares in subsidiaries pledged as collateral for bonds	30 308	52 514	34 808	34 729

To provide collateral for borrowings related to the acquisition of the subsidiary HLM Malta Limited, the Parent Company has pledged shares in specific subsidiaries. For the Parent Company, the value of the pledged shares comprises the cost, while for the Group the value comprises total net assets, which would disappear from the Group if the subsidiary shares were foreclosed.

9. Non-recurring items

The table below shows extracts from the Consolidated Statement of Comprehensive Income and how it has been affected by non-recurring items.

Results in 2022 were affected by EUR 467 thousand of non-recurring income attributable to the sale of finance affiliation assets, EUR 150 thousand attributable to termination benefits in line with the new strategy and costs incurred in acquiring Acroud Media Ltd, EUR 18 000 thousand one off impairment charge of the Highlight Media business, EUR 2 932 thousand one off charge to reflect the estimated earnouts relating to Power Media Group and The Gambling Cabin, EUR 837 thousand one off expenses in relation to the bond redemption as well as amortised bond redemption fee and discount and EUR 1 515 thousand of favourable currency effects.

Results in Q1 2023 were affected by EUR 10 thousand attributable to termination benefits, EUR 17 thousand attributable to one-off expenses incurred in relation to the acquisition of Acroud Media Ltd and EUR 141 of amortised bond redemption fee and discount and favourable currency effects. Q2 2023 was affected by EUR 20 million one-off impairment charge of the Highlight Media business, EUR 297 thousand relating to termination benefits, EUR 417 thousand in linkbuilding as a result of a change in accounting estimate, EUR 275 thousand one-off expenses incurred in relation to the Written Procedure under the outstanding bond loan as mentioned in the important events during the quarter, EUR 5 thousand one-off charge to reflect the final earnouts relating to Power Media Group and The Gambling Cabin and EUR 657 thousand of amortised bond redemption fee and discount and favourable currency effects.

Amounts in kEUR	01/04/2023 - 30/06/2023			01/04/2022 - 30/06/2022			01/01/2023 - 30/06/2023			01/01/2022 - 30/06/2022		
	Reported income statement	Items affecting comparability	Adjusted for items affecting comparability	Reported income statement	Items affecting comparability	Adjusted for items affecting comparability	Reported income statement	Items affecting comparability	Adjusted for items affecting comparability	Reported income statement	Items affecting comparability	Adjusted for items affecting comparability
Other external expenses	(8 462)	914	(7 548)	(4 761)	-	(4 761)	(14 633)	931	(13 702)	(9 390)	-	(9 390)
Personnel expenses	(1 165)	75	(1 090)	(902)	-	(902)	(2 154)	85	(2 069)	(1 850)	-	(1 850)
Other operating income	-	-	-	-	-	-	-	-	-	459	(467)	(8)
Other operating expenses	(66)	37	(29)	-	-	-	(99)	37	(62)	-	-	-
EBITDA	588	1 026	1 614	1 802	-	1 802	2 702	1 053	3 755	4 050	(467)	3 583
Depreciation/amortisation and impairment	(21 187)	20 000	(1 187)	(617)	-	(617)	(22 326)	20 000	(2 326)	(1 184)	-	(1 184)
Operating profit/(loss) (EBIT)	(20 599)	21 026	427	1 185	-	1 185	(19 624)	21 053	1 429	2 866	(467)	2 399
Interest and similar income	2	-	2	3	-	3	5	-	5	8	-	8
Interest and similar expenses	(1 069)	131	(938)	(579)	-	(579)	(2 141)	250	(1 891)	(1 165)	-	(1 165)
Other financial items	553	(825)	(272)	701	(660)	41	762	(1 085)	(323)	869	(826)	43
Earn out revaluation	5	(5)	-	-	-	-	5	(5)	-	-	-	-
Net profit/(loss) before tax	(21 108)	20 327	(781)	1 310	(660)	650	(20 993)	20 213	(780)	2 578	(1 293)	1 285
Net profit/(loss)	(21 258)	20 327	(931)	1 248	(660)	588	(21 324)	20 213	(1 111)	2 431	(1 293)	1 138

10. Events after the quarter

On 13 July 2023, Acroud AB has agreed to sell and transfer to RIAE Media Ltd, 9 shares corresponding to 9% of all the issued and outstanding shares in Acroud Media Ltd. The purchase price for the shares is EUR 1.1 million which will be paid in cash no later than 30 November 2023. The shares were transferred from Acroud AB to RIAE Media Ltd on 1st August 2023. On the same date, Acroud AB has entered into an amendment of the shareholders agreement so that the Put Option of the original shareholders agreement will be removed with effect from 1st August 2023.

On 03 August 2023, Acroud AB (Acroud) entered into an agreement with PMG Group A/S, SMD Group Ltd and Double Down Media Ltd as sellers regarding Acroud's previous purchase of Voonix ApS, Matching Visions Ltd and Traffic Grid Ltd in order to settle EUR 4 million of the total earn-out payment of EUR 9 million by way of cash payment of EUR 2.25 million and a debt-to-equity swap of EUR 1.75 million paid by way of a directed set-off issue of shares in Acroud. On the same date, Acroud has issued promissory notes to the sellers in respect to the remaining debt of EUR 5 million. Acroud is granting the sellers a right to purchase, and the sellers is granting Acroud a right to sell, 40% of the total number of shares of Voonix ApS, Matching Visions Ltd and Traffic Grid Ltd with payment by way of set-off against the promissory notes. The sellers may exercise the right to purchase and Acroud may exercise the right to sell only after Acroud has redeemed its outstanding bond loan 2022/2025 in full.

On 03 August 2023, the board of directors of Acroud has in accordance with the Written Procedure resolved to carry out a directed new issue of 36,241,424 shares for a total consideration amount of approx. SEK 71.6 million.

The subscription of shares in the directed new share issue is made against payment in cash, in-kind or through set-off as further detailed below:

1. 11,139,240 shares issued to Trottholmen AB and Strategic Investment A/S against payment in cash of in total SEK 22 million.
2. 10,284,594 shares issued to PMG Group A/S, SMD Group Ltd and Double Down Media LTD against payment by way of set-off against earn-out claims amounting to in total EUR 1,750,000 under a share purchase agreement entered into with Acroud and the subscribers.
3. 2,159,363 shares issued to Trottholmen AB against payment by way of set-off against a shareholder loan of approx. SEK 4.3 million.
4. 12,658,227 shares issued to Trottholmen AB and Strategic Investment A/S against payment in-kind consisting of Bonds amounting to in total SEK 25 million.

Key figures and definitions

Key figures, Group

	01/04/2023 30/06/2023	01/04/2022 30/06/2022	01/01/2023 30/06/2023	01/01/2022 30/06/2022
EBITDA margin	6%	25%	14%	29%
Adjusted EBITDA margin	16%	25%	19%	25%
Operating margin	(6%)	16%	2%	20%
Revenue Growth	43%	16%	38%	21%
Organic growth	(26.5%)	15%	(23.8%)	15%
Equity ratio	4%	58%	4%	58%
Return on equity	(893%)	3%	(896%)	5%
Equity per share (EUR)	0.02	0.34	0.02	0.34
Number of registered shares at end of period	136,370,764	129,659,355	136,370,764	129,659,355
Weighted average number of shares before dilution	136,370,764	129,659,355	136,370,764	129,659,355
Weighted average number of shares after dilution	205,115,293	129,659,355	205,115,293	129,659,355
Earnings per share (after dilution)	(0.104)	0.010	(0.104)	0.019
Adjusted earnings per share (after dilution)	(0.005)	0.005	(0.005)	0.009
Market price per share at end of period (SEK)	1.95	1.97	1.95	1.97
EPS growth (%)	(1 140%)	563%	(647%)	386%

Acroud presents certain alternative performance measures (APMs) in addition to the conventional financial ratios defined by IFRS in order to achieve better understanding of the development of operations and the Group's financial status. However the APMs should not be regarded as a substitute for the key ratios required under IFRS. The reconciliation is presented in the tables in the annual report and should be read in connection with the definitions below.

CPA	Cost Per Acquisition - revenue from up-front payment for each individual paying player that Acroud refers to its partners (usually the iGaming operator).
EBITDA margin	EBITDA in relation to revenue.
Equity per share	Equity divided by the number of shares outstanding.
iGaming Affiliation Segment	Financial information relating to the iGaming affiliate business, which is made up of three major verticals: Casino, Poker and Betting.
SaaS Segment	Financial information relating to the SaaS business line. SaaS financial information relating to periods before acquisition date is based on proforma figures.
Adjusted EBITDA	Reported EBITDA, adjusted for non-recurring items as explained in note 9.
Adjusted profit after tax	Reported profit after tax, adjusted for non-recurring items as explained in note 9.
NDC	The number of new customers making their first deposit with an iGaming (poker, casino, bingo, sports betting) operator. NDCs for the financial vertical are not included.
Revenue Generating Units (RGUs)	The number of active entities which Acroud provides services to via the SaaS segment. In Matching Visions, RGUs represent the number of active affiliate companies forming part of Acroud's network during the reporting period. In SaaS vertical, RGUs represent the number of active clients to whom subscriptions were sold during the reporting period.
Organic revenue growth	Revenue from affiliate operations compared with the previous period, excluding acquisitions and divestments in accordance with IFRS 3 (last 12 months) and exchange rate movements.
Earnings per share	Profit/loss after tax divided by the average number of shares.
Adjusted earnings per share	Profit/loss after tax, adjusted for non-recurring items as explained in note 9 divided by the average number of shares.
Return on equity	Profit/loss after tax divided by average equity.
Operating margin	Operating profit/loss as a percentage of sales.
Equity ratio	Equity as a percentage of total assets.
Debt/equity ratio	Interest-bearing liabilities including accrued interest related to loan financing, convertibles, lease liabilities, excluding any additional consideration, and less cash, in relation to LTM EBITDA.
EPS growth	Percentage increase in earnings per share (after dilution) between periods.
Revenue share	Revenue derived from "revenue share", which means that Acroud and the iGaming operator share the net gaming revenue that the player generates with the operator.

Information for Shareholders

Financial calendar

Reports

Interim report July - September 2023

9 November 2023

Contact

For further information, please contact

Robert Andersson, President and CEO
Mobile: +356 9999 8017
E-mail: robert.andersson@acroud.com

Tricia Vella, CFO
Mobile: +356 7905 7755
E-mail: tricia.vella@acroud.com

Contact with investors

The CEO and CFO are responsible for providing shareholders, investors, analysts and the media with relevant information. During the year, Acroud participated in a number of capital market activities. The Company also held regular analyst meetings.

Financial reports, press releases and other information are available from the publication date on Acroud website: <http://www.acroud.com/investor-relations/>. It is also possible to subscribe to press releases and reports on the website. Printed copies of the annual report are sent on request.

CERTIFIED ADVISOR

The appointed Certified Adviser is FNCA Sweden AB, info@fnca.se.

From August 2021 (Q2 21 Report) Acroud has changed reporting and company language to English. This means that onwards press releases will only be communicated in English. Interim Reports and the correlated press releases will be issued in both English and Swedish, however the English version will supersede the Swedish version.